



SPECIAL MEETING OF THE MILPITAS CITY COUNCIL

MINUTES
TUESDAY, MAY 14, 2024

The City Council of the City of Milpitas convened on the City Council meeting day in a Special Meeting of the Milpitas City Council on May 14, 2024, in the Barbara Lee Senior Center, 40 N Milpitas Blvd, Room 140/141, Milpitas, CA, and via teleconference/Zoom webinar.

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

Mayor Montano called the Regular City Council meeting to order at 5:33 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo (5:37 PM), Councilmember Lien, Councilmember Phan

ABSENT: None.

PLEDGE OF ALLEGIANCE

Mayor Montano led the pledge of allegiance.

PRESENTATIONS

There were no presentations.

PUBLIC FORUM

There were the following public speakers:

1. Tom Valore

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

Assistant City Attorney Creech asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest.

READING OF THE CITY COUNCIL CODE OF CONDUCT

Mayor Montano read the City Council Code of Conduct.

APPROVAL OF AGENDA

After discussion, motion: to approve the agenda.

Motion/Second: Vice Mayor Chua/Councilmember Barbadillo

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien, Councilmember Phan

NOES: None

ABSENT: None

AGENDA ITEMS

1. Receive Presentation on the FY 2024-25 Proposed City of Milpitas Operating Budget and Provide Direction (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)

City Manager Thomas introduced the item and acknowledged Finance staff for their efforts in the creation of the budget. Finance Director Cofresí-Howe provided an overview of how a budget is formulated.

Mayor Montano questioned about interest collected on reserves.

Assistant City Manager Cano continued the report.

Recreation and Community Services Director Lorentzen presented on the Special Events calendar.

Mayor Montano questioned the popularity and cost of the events. Recreation and Community Services Director Lorentzen highlighted that the listed events were indeed the most popular and that even events with charges still offer some portions free to the public.

Assistant City Manager Cano presented on the Community Investment Fund program. He noted that staff is asking for feedback on the proposed programs and that a report to rank and prioritize them would return to the City Council in August.

Councilmember Barbadillo inquired about the portion of the proposed budget funded by the Community Investment Fund and Measure F. City Manager Thomas and Assistant City Manager Cano clarified that the Community Investment Funds are not included in the operating budget, while Measure F constitutes approximately seven million dollars. Councilmember Barbadillo requested a comparison of budget allocations with other cities, particularly focusing on whether their top three allocations align with Milpitas in non-departmental, police, and public works. He also raised concerns about revenue sources, particularly regarding one-time and ongoing development fees, and questioned their integration into the ten-year budget forecast. He expressed skepticism about the sustainability of development at the current pace.

Vice Mayor Chua followed up, suggesting the City conduct a financial stress test to mimic the conditions that existed during the pandemic. Finance Director Cofresí-Howe responded that the forecast is considered a basic form of stress test. The Vice Mayor asked to conduct an extreme stress test. City Manager Thomas proposed contingency planning if the extension of Measure F does not pass.

Mayor Montano questioned incoming property taxes from the development of apartments and condos. Assistant City Manager Cano noted that generally housing costs the city more money than property taxes bring in due to the services needed for support, unless it is high density housing. Economic Development Director Andrade responded that the top ten property taxpayers in Milpitas are mainly industrial. Mayor Montano asked after the Special Projects Associate position in the City Manager's Office organizational chart. Assistant City Manager Cano detailed the responsibilities of the position to make up for reduced capacity and work on council priority projects.

Community Investment Fund

Vice Mayor Chua asked for a financial stress test and to allocate \$5,000.00 for the Milpitas Concert Band so members don't have to pay membership fees.

Mayor Montano asked to add to the list for consideration of adding \$50,000 - \$100,000.00 for Strategic Property Acquisition Revenue Fund, to allocate funding for the design and development of an

amphitheater or community space on the north side of City Hall, and to continue the street cleaning pilot program.

Councilmember Lien suggested including the following for consideration of allocation from the Community Investment Fund: CIP Grant Matching and acquiring a backup ambulance.

Councilmember Barbadillo inquired after county ambulance services. Fire Chief Schoonover responded that Santa Clara County's EMS provider, AMR, faces staffing issues leading to frequent delays in Milpitas. To address the risk of its single fire department ambulance failing, Milpitas seeks a reserve ambulance. While the current ambulance handles 2,000 calls and transports 150 patients annually, recent contract changes allow city ambulances to transport patients due to county shortages. The proposed reserve ambulance would offer crucial backup, ensuring reliable EMS for Milpitas.

City Manager's Office

Assistant City Manager Cano provided an overview of the changes proposed to the City Manager's Office budget and organizational chart.

Vice Mayor Chua asked after the recommended changes to the Economic Development Director and Housing Manager positions. Assistant City Manager Cano noted that the Economic Development position was being brought in line with the compensation of other department directors and that the Housing Manager position would be right-sized and report directly to the City Manager's Office.

Councilmember Barbadillo questioned the fiscal impact of the position change.

Councilmember Phan thanked staff for their work. He followed up asking about what other changes were possible thanks to defending positions. He voiced concerns for staff morale and voiced support for the proposed budget.

Human Resources

Vice Mayor Chua asked after current vacancies. Human Resources Director Parmley noted that there are around 30 positions vacant. The Vice Mayor recommended outsourcing temporary recruitment efforts to address the high number of vacancies within the city.

Recreation

Recreation and Community Services Director Lorentzen spoke on requests for service enhancements in the budget.

Vice Mayor Chua suggested hiring a consultant to conduct a facility study and provide recommendations for maximizing the usage of city facilities, such as the senior center, sports center, and community center. She noted that the recommendation should be added for consideration of allocation from the Community Investment Fund.

Finance

Vice Mayor Chua voiced support for adding a full time buyer. She recommended to evaluate and document procurement processes to ensure proper authorizations, audit trails, and compliance.

Police

Vice Mayor Chua asked if the department need additional Automated License Plate Readers. Chief of Police Hernandez noted that there is currently a request for an additional twenty cameras through a grant. He expressed his intention to continue funding the program through the grant process.

City Manager Thomas offered closing remarks.

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

Vice Mayor Chua thanked staff for their hard work and congratulated City Clerk Guzzetta for election to the City Clerk's Association of California Board of Directors.

City Manager Thomas announced that Public Information Officer Angelo was attending the California Conference for Public Information Officials to receive awards for videos made promoting City services.

ADJOURNMENT

Mayor Montano adjourned the meeting at 8:16 PM.

The foregoing minutes were approved by the Milpitas City Council on June 4, 2024.



Suzanne Guzzetta
Milpitas City Clerk